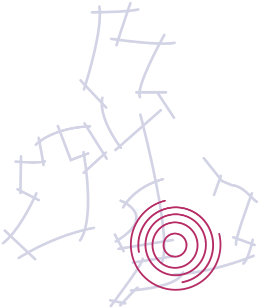
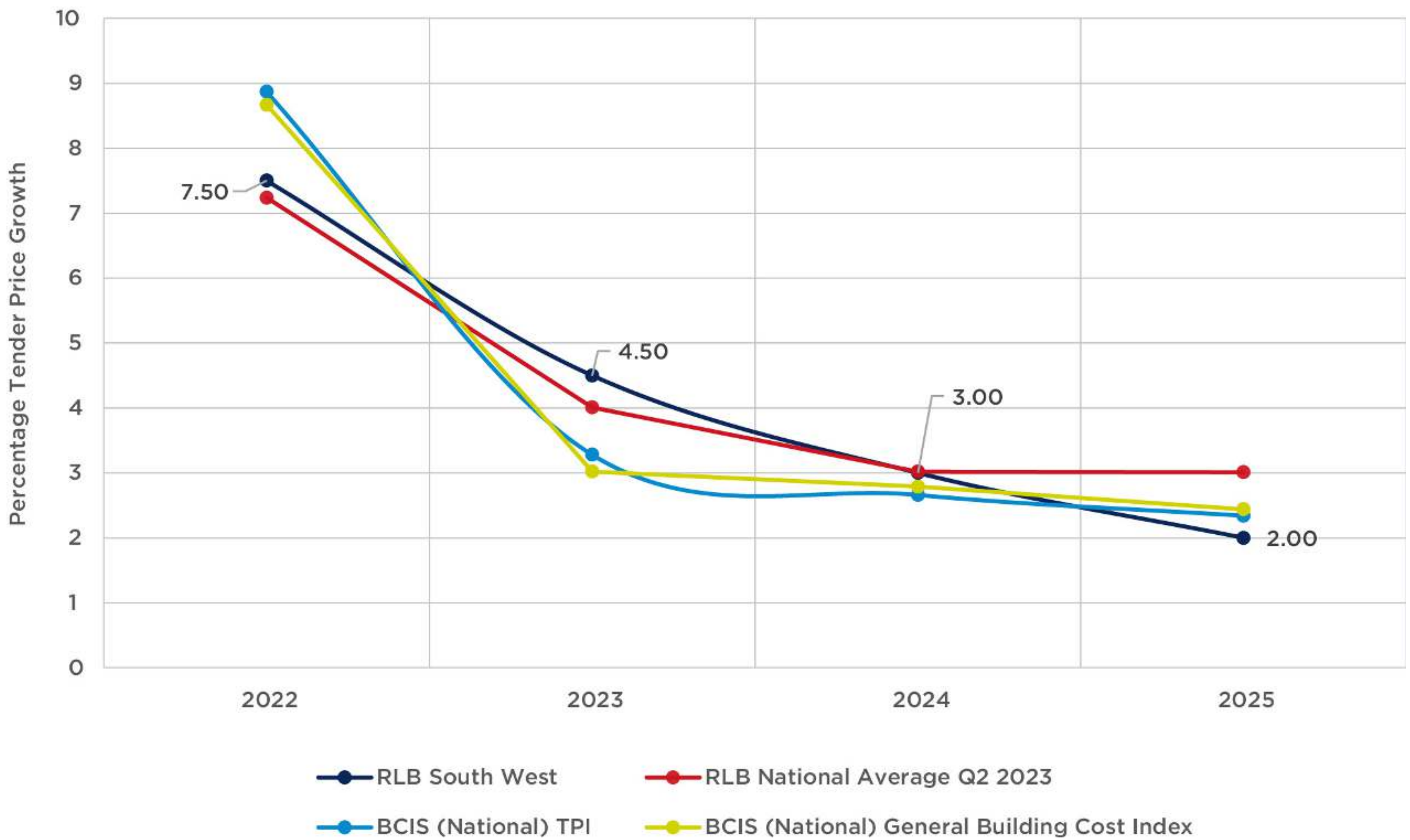


SOUTH WEST

Source	% Uplift reported	2022	2023	2024	2025
Bristol		7.50	4.50	3.00	2.00
Competitors/Others - Upper Range (South West)		9.50	4.30	3.50	4.30
Competitors/Others - Lower Range (South Westl)		4.50	3.25	3.25	3.00
RLB National Average		7.24	4.01	3.02	3.01
BCIS (National) TPI		8.87	3.28	2.66	2.34
BCIS (National) General Building Cost Index		8.67	3.02	2.79	2.44

Tender Price Change - Bristol



OVERVIEW - SOUTH WEST

ONS statistics for work carried out in the region over the last year currently show an uplift in value of over 20% on the baseline year to March 2020.

However, that includes an uplift of almost 43% in repairs and maintenance, so the statistics are not completely clear. For new work, private industrial and infrastructure are the standouts, at +73% and +57% respectively.

New orders statistics for the South West show new workload is up by over 80% this year over the March 2020 baseline, with infrastructure and private industrial work more than doubling.

The rail, air and road infrastructure sector of the market is particularly strong across the region, with several new railway stations planned in Somerset over the next 24 months. Similarly, there is large-scale energy infrastructure interest in the region, with off-shore wind, nuclear, and new foreign power cable supplies programmes coming ashore in the South West. This is expected to dramatically increase energy capacity in the region, boosting commercial, data and energy storage and infrastructure sectors in the region over the next five years.

In the housing sector, residential demand remains strong across the South West, but lack of availability in the supply chain in the West of the region continues to be an issue. However, the student residential market is active and growing within the university cities of Exeter, Bristol and Bath. In public sector housing, the Housing Association work stream remains strong with several Associations expanding into the South West region.

As the quarter has progressed, several large multi-use schemes are now being brought forward and are increasing the number of large-scale projects across the region's cities. The region is also experiencing an increase in interest in new work in the commercial, office, and food retail sectors.

Although Main Contractors' order books remain strong, there is still spare capacity, and that fact is reflected in an uplift in Main Contractor interest in tender and bidding opportunities currently and prospectively over the next 12 months. In line with this, materials supply issues and inflationary effects appear to be easing and markedly levelling-off across the region.

For construction as a whole, the outlook for the South West is one of growing levels of interest and investment, all of which is showing through in the ONS work done and new work orders figures, as well as in the general sentiment within the industry.